

Pari-Mutuel Wagering Tax

Pari-mutuel wagering tax is imposed for race meets other than those conducted on Nebraska State Fairground Property. Wagers placed at live meets, simulcast events, by telewagering, and by telephonic wagering are subject to tax. The tax applies to every corporation or association licensed to conduct horseracing within the state.

The tax rate is a two-tier system. The first \$10,000,000 of wagers are exempt. For wager amounts over \$10,000,000 and less than or equal to \$73,000,000, the tax rate is 2.5%. For amounts in excess of

\$73,000,000 the tax rate is 4%. A tax credit is allowed for capital improvements and maintenance of the premises within the race track enclosure. The credit claimed cannot exceed \$1,400,000 and is equal to 2% of the first \$70,000,000 of taxable wagers. An additional tax of .5% is imposed on wagers placed by telephone. The .5% tax on wagers placed by telephone is deposited in the Racing Commission's Cash Fund. All other revenue is deposited in the General Fund.

Table 6: 2005 Pari-Mutuel Report

Organization	Live Race Meets	Nebraska Simulcast	Out-of-State Simulcast	Telephonic Wagering	Total	Amount Taxable	Tax and Fees Due	Tax Credit	Tax Paid
Hall County Improvement Assn.	\$4,430,184	\$570,601	\$11,281,940	\$0	\$16,282,725	\$6,282,725	\$157,067	\$125,654	\$31,414
Omaha Exposition & Racing, Inc.	\$536,497	\$2,690,199	\$53,811,094	\$0	\$57,037,790	\$47,037,790	\$1,175,945	\$940,756	\$235,189
ATOKAD Agriculture & Racing Assn.	\$133,577	\$347,377	\$3,470,965	\$0	\$3,951,919	\$18,130,482	\$0	\$0	\$0
Platte County Agricultural Society	\$1,450,360	\$600,834	\$5,438,455	\$0	\$7,489,649	\$0	\$0	\$0	\$0
Nebraska State Board of Agriculture	\$2,013,572	\$946,270	\$15,170,640	\$0	\$18,130,482	\$8,130,482	\$203,262	\$162,610	\$40,652
Horseman's Atokad	\$0	\$0	\$621,486	\$0	\$621,486	\$0	\$0	\$0	\$0
Total	\$8,564,190	\$5,155,281	\$89,794,580	\$0	\$103,514,050	\$79,581,479	\$1,536,274	\$1,229,020	\$307,255

Chronology of Pari-Mutuel Wagering Tax Rates

Year	Live Race Meets	Nebraska Simulcast	Out-of-State Simulcast	Total	Amount Taxable	Tax Due	Tax Credit	Tax Paid
1990	\$65,976,048	\$46,121,266	\$13,083,748	\$125,181,062	\$73,113,450	\$1,462,269	\$1,462,269	\$0
1991	\$53,164,942	\$43,514,910	\$18,083,307	\$114,763,159	\$66,122,266	\$1,653,057	\$1,322,445	\$330,611
1992	\$53,478,580	\$43,405,104	\$21,385,065	\$118,268,749	\$69,848,538	\$1,746,213	\$1,396,971	\$349,243
1993	\$46,805,857	\$37,828,433	\$25,003,856	\$109,638,146	\$61,339,223	\$1,533,481	\$1,226,784	\$306,696
1994	\$28,504,850	\$8,213,455	\$48,267,613	\$84,985,918	\$64,985,918	\$1,624,648	\$1,299,718	\$324,930
1995	\$25,870,809	\$15,022,237	\$77,502,903	\$118,395,949	\$65,407,650	\$1,635,191	\$1,308,150	\$327,041
1996	\$10,226,390	\$8,742,475	\$71,067,296	\$90,036,361	\$42,244,246	\$1,056,107	\$844,885	\$211,222
1997	\$9,295,840	\$7,302,737	\$71,529,486	\$88,128,063	\$41,824,793	\$1,045,620	\$836,499	\$209,121
1998	\$7,965,015	\$5,014,469	\$92,111,131	\$105,091,665	\$59,490,425	\$1,487,261	\$1,189,788	\$297,445
1999	\$10,068,127	\$5,939,496	\$94,932,440	\$110,940,063	\$66,515,208	\$1,662,880	\$1,330,304	\$332,576
2000	\$9,504,065	\$5,571,353	\$96,598,644	\$111,624,062	\$66,905,993	\$1,672,650	\$1,338,120	\$334,530
2001	\$8,642,910	\$5,363,606	\$99,845,725	\$113,852,241	\$65,301,333	\$1,632,533	\$1,306,027	\$327,529
2002	\$8,741,849	\$5,603,053	\$98,694,397	\$107,255,574	\$73,569,576	\$1,839,148	\$1,471,300	\$373,878
2003	\$8,168,013	\$5,101,720	\$99,014,921	\$112,284,654	\$71,456,681	\$1,786,417	\$1,429,134	\$357,283
2004	\$8,625,870	\$5,005,855	\$93,721,191	\$107,352,916	\$64,222,737	\$1,605,569	\$1,284,455	\$321,115
2005	\$8,564,190	\$5,155,281	\$89,794,580	\$103,514,050	\$79,581,479	\$1,536,274	\$1,229,020	\$307,255